

Issue Brief is published by the

DELAWARE HEALTH CARE COMMISSION

Working to promote access to affordable, quality health care for all Delawareans.

Key Objectives

Access: Promote access to health care.

QUALITY: Promote a comprehensive health care system assuring quality care for all.

Cost: Promote a regulatory and financial framework to manage the affordability of health care.

Issue brief

THE UNINSURED

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Access to Health Care

Understanding the uninsured challenge

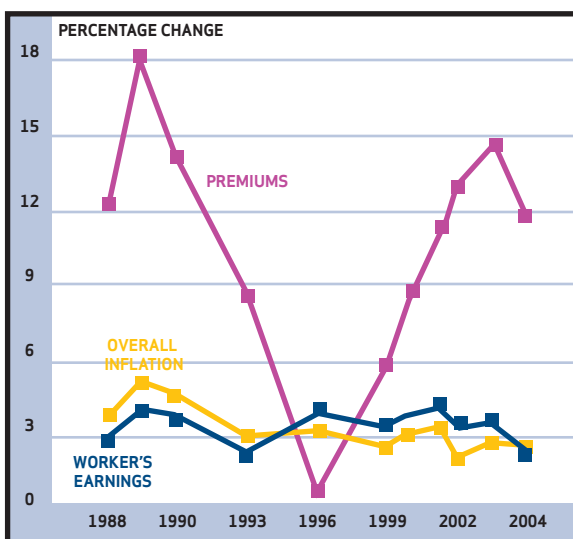
Although Delaware is doing better than the nation in terms of the uninsured, concerns are mounting about the ability for individuals, both in Delaware and the nation, to maintain coverage due to the rising costs of health insurance. These new cost trends suggest greater challenges in maintaining coverage levels, in particular for small businesses currently offering or planning to provide health care benefits to employees.

Uninsured in Delaware

The *Delawareans Without Health Insurance* statistics for 2004, which is compiled for the Commission by the University of Delaware's Center for Applied Demography & Survey Research, reports that 9.8% of Delaware's population is without health insurance. This represents about 80,000 Delawareans. Compared to the region, which includes Maryland, Delaware, Pennsylvania, New Jersey and New York, the uninsured rate is 13.6% during the same period. And according to the US Census Bureau 2003 statistics, Delaware's 9.8% rate ranks lower than the national rate of 15.6% or 45 million uninsured people.

Of those that are uninsured in Delaware:

- 79% are over the age of 17
- 55% are male
- 68% are white
- 15% are Hispanic
- 61% own or are buying a home
- 21% live alone
- 81% are above the poverty line
- 28% have household incomes above \$50,000
- 56% are adults working
- 4% are self-employed
- 13% are non-citizens



Increases in employer health insurance premiums compared with other indicators. Source: Health Affairs, Sept/Oct 2004

Impact of the uninsured

Research shows that people with health insurance are more likely to have access to health care services when they need them. The uninsured generally face greater barriers to preventive and primary care, are less likely to receive tests and treatment for chronic conditions, are less likely to receive timely screenings, are more likely to experience later stage diagnosis, and are more likely to contribute to increasing the overall cost of health care by using emergency rooms for primary care. In fact, research indicates that 10,000 uninsured Delawareans are likely to use the state's emergency facilities in a typical year.

It is estimated that more than 60% of the uninsured will remain uninsured for a year or more. This is important because the longer a person is without coverage, the greater the probability that they will need medical care. More than 31% of the uninsured report not being able to see a doctor when they need to because of cost, compared to 5.7% of their insured counterparts.

Pilot Planning Program

The State Pilot Planning Program is an initiative of the Commission's Uninsured Action Plan. The program is designed to identify health care coverage options to maintain existing levels of coverage and to expand coverage to those who are uninsured. The Commission is currently pursuing recommendations for coverage expansion options through public forum discussions among experts, stakeholders, and interested community representatives.

60 percent of the uninsured are working

Factors contributing to the uninsured

While the number of uninsured has remained stable, the population of Delaware has increased by 230,000 since 1982. Had the number of uninsured kept pace with population growth, there would be an additional 50,000 persons without health insurance.

While income level and insurance coverage eligibility contributes to the uninsured rate, other factors include employment, county residence, household composition, age, race and ethnicity.

Employment

People who work for smaller firms are at a greater risk of being uninsured than those working for larger firms. Almost 32% of the uninsured in Delaware are working for firms with fewer than 100 employees, a number that continues to rise with large corporations downsizing and small business ownership increasing. The highest percentage of the uninsured work in construction and retail.

Family health insurance as percent of wages for different occupations.

	MEDIAN HOURLY WAGE	FAMILY PREMIUM MEDIAN WAGE
PHYSICIAN	\$60.1.	7.3%
HISTORY PROFESSOR	\$27.63	15.8%
LPN	\$16.18	29.6%
SECRETARY	\$15.00	29.1%
BANK TELLER	\$9.93	43.9%
CARPENTER	\$18.00	24.2%
COOK	\$8.75	49.8%

Source:
Len M. Nichols, Ph.D., Vice President, Center for Studying Health System Change

County Residence

People who live in Kent County are more likely to be uninsured (12.9%) than people in Sussex County (8.4%) and New Castle County (9.6%). However, even though the rate in New Castle County is lower, more people (approximately 50,000) are without health insurance. This compares to nearly 17,000 uninsured in Kent County and 13,000 in Sussex County.

Household Composition

Single person households are the most likely to report not having health coverage. The two-person household has a high probability of including a married couple, with two incomes, and opportunity to obtain coverage through work.

Age

Young adults, 18-29 years old, are more likely to be uninsured than are children and older adults. This is because they are more likely to hold jobs that do not provide health coverage. In addition, their income levels are generally lower making it difficult to purchase insurance on their own.

Race/Ethnicity

The breakdown of uninsured by race includes 29.1% Hispanic, 11.9% black, 9.4% white and 8.8% other.

Policy issues to consider for coverage expansion options

Individuals without health insurance do not choose to be uninsured. Making insurance affordable for individuals with low or modest incomes, the self-employed, or those deemed at a high level of risk will most likely require considerable public subsidies.

Delaware's current system of accessing health insurance is through employer-sponsored private insurance or government subsidized programs. Because employees of small businesses typically have less access to coverage than employees of larger firms, strategies to maintain current levels of employer-based insurance are as important as those to expand coverage levels.

Another consideration is that the number of uninsured is not exact and is in a constant state of change as individuals move in and out of the insurance market. Therefore, it is important to watch coverage level trends (flat or steadily trending upwards or downwards) rather than trying to pinpoint a precise number.

In addition, the uninsured are not all alike. Many of the uninsured have low incomes and poor health while many others are well off and relatively healthy. Due to budget constraints on subsidized programs, trade offs may be necessary and multiple strategies may be needed to address the problem. Current considerations include targeting those in most need as a priority.

For more information on access to health care, visit www.delawareuninsured.org or contact:

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